

# Schüco Denmark ApS

Stamholmen 157, 3.  
2650 Hvidovre

CVR no. 39 93 97 11

**Annual report for the period 10 October – 31 December 2018**

The annual report was presented and approved at the  
Company's annual general meeting on

12. April 20 19

  
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chairman

Schüco Denmark ApS  
Annual report 2018  
CVR no. 39 93 97 11

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*M. Skjødt-Sk*  
*10.10.2018*

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Schüco Denmark ApS for the financial period 10 October – 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial period 10 October – 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.


Hvidovre, 12 April 2019  
Executive Board:



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Lars Magnus Wingård  
CEO

Board of Directors:



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Thomas Stefan Humpf  
Chairman



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Ralf Wippermann



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Lars Magnus Winegård



## Independent auditor's report

### To the shareholder of Schüco Denmark ApS

#### Opinion

We have audited the financial statements of Schüco Denmark ApS for the financial period 10 October – 31 December 2018 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial period 10 October – 31 December 2018 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that





## Independent auditor's report

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 12 April 2019

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Jesper Bo Pedersen  
State Authorised  
Public Accountant  
mne42778

**Schüco Denmark ApS**  
Annual report 2018  
CVR no. 39 93 97 11

## Management's review

### Company details

Schüco Denmark ApS  
Stamholmen 157, 3.  
2650 Hvidovre

Telephone: +45 36 34 22 00  
Website: <https://www.schueco.com/web2/dk>

CVR no.: 39 93 97 11  
Established: 10 October 2018  
Financial period: 10 October – 31 December

### Board of Directors

Thomas Stefan Humpf, Chairman  
Ralf Wippermann  
Lars Magnus Winegård

### Executive Board

Lars Magnus Winegård, CEO

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfaergevej 28  
DK-2100 Copenhagen

## **Management's review**

### **Operating review**

#### **Principal activities**

Schüco Denmark ApS is a fully owned subsidiary of Schüco International KG, Bielefeld. The Company is willing to sell the products of Schüco in Denmark. In this regard, Schüco Denmark ApS will act as a so-called Low Risk Distributor (LRD) and sell as Schüco's reseller in the contractual defined territory of Denmark. Customers of the Distributor are mainly local metal fabricators in a B2B business.

The business includes all products of Schüco metal division like aluminium, steel and complementary products. In this function, Schüco International KG, Bielefeld, has all relevant strategic competencies (e.g. decisions about the sales portfolio, general business strategy, stocking strategies and volumes, etc.) and accordingly, the Distributor has only very limited functions (merely local sales and marketing function) and bears nearly no risks.

#### **Significant changes in the Company's activities and financial position**

Considering incorporation on 10 October 2018 and starting operative business on 1 November 2018, a full view of result, balance and equity is not possible in 2018. Based on this shortened business year, total sales to Danish customers and relevant costs are in line with planned figures. We are satisfied with the profit in 2018.

For 2019 and onwards, we expect a positive developing of the Danish market. Even though the residential market is growing slowly, it might give a positive contribution to the general economic conditions and therefore a positive effect for the Schüco business.

Our main focus continues to be on the non-residential segment mixed with the also growing unity facades market.

#### **Events after the balance sheet date**

No significant events have occurred subsequent to the financial year end.

## Financial statements 10 October – 31 December

### Income statement

DKK	Note	10/10 - 31/12 2018
<b>Gross profit</b>		2,218,873
Staff costs	2	-1,728,805
Depreciation, amortisation and impairment losses		<u>-17,678</u>
<b>Operating profit</b>		472,390
Financial expenses	3	<u>-8,907</u>
<b>Profit before tax</b>		463,483
Tax on profit/loss for the year	4	<u>-102,185</u>
<b>Profit for the year</b>		<u><u>361,298</u></u>
<b>Proposed profit appropriation</b>		
Retained earnings		<u><u>361,298</u></u>



## Financial statements 10 October – 31 December

### Balance sheet

DKK	Note	2018
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Property, plant and equipment</b>	5	
Fixtures and fittings, tools and equipment		<u>207,748</u>
<b>Total fixed assets</b>		<u>207,748</u>
<b>Current assets</b>		
<b>Receivables</b>		
Trade receivables		8,989,748
Receivables from group entities		2,102,860
Prepayments		<u>101,997</u>
		<u>11,194,605</u>
<b>Cash at bank and in hand</b>		<u>4,425,819</u>
<b>Total current assets</b>		<u>15,620,424</u>
<b>TOTAL ASSETS</b>		<u><u>15,828,172</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Contributed capital	6	50,000
Retained earnings		<u>361,298</u>
<b>Total equity</b>		<u>411,298</u>
<b>Liabilities</b>		
<b>Current liabilities other than provisions</b>		
Prepayments received from customers		112,391
Trade payables		139,372
Payables to group entities		11,579,279
Corporation tax		93,676
Other payables		3,483,647
Deferred tax		<u>8,509</u>
		<u>15,416,874</u>
<b>Total liabilities</b>		<u>15,416,874</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>15,828,172</u></u>
<b>Contractual obligations, contingencies, etc.</b>	7	
<b>Related party disclosures</b>	8	

## Financial statements 10 October – 31 December

### Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 10 October 2018	0	0	0
Transferred over the profit appropriation	0	361,298	361,298
Cash payments concerning formation of entity	<u>50,000</u>	<u>0</u>	<u>50,000</u>
<b>Equity at 31 December 2018</b>	<u><u>50,000</u></u>	<u><u>361,298</u></u>	<u><u>411,298</u></u>

## Financial statements 10 October – 31 December

### Notes

#### 1 Accounting policies

The annual report of Schüco Denmark ApS for 2018 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

#### Comparative figures

As this is the Company's first fiscal year, no comparative figures are included in the presentation.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Upon recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

### Income statement

#### Revenue

Income from the sale of goods, comprising the sale of windows, doors and facades, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2010.

Revenue from the sale of goods where installation is a condition for significant risks being considered to have been transferred to the buyer is recognised as revenue when installation has been completed.

## Financial statements 10 October – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

##### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

##### Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

##### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

##### Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

##### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.



## Financial statements 10 October – 31 December

### Notes

#### 1 Accounting policies (continued)

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.



## Financial statements 10 October – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Cash and cash equivalents

Cash and cash equivalents comprise cash.

##### Equity

###### *Dividends*

The expected dividends payment for the year is disclosed as a separate item under equity.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Liabilities

Other liabilities are measured at net realisable value.

## Financial statements 10 October – 31 December

### Notes

	10/10 - 31/12 2018
DKK	
<b>2 Staff costs</b>	
Wages and salaries	1,624,792
Pensions	61,127
Other social security costs	33,279
Other staff costs	9,607
	<u>1,728,805</u>
Average number of full-time employees	<u>15</u>
<b>3 Financial expenses</b>	
Interest expense to group entities	309
Other financial costs	3,462
Exchange adjustments costs	5,136
	<u>8,907</u>
<b>4 Tax on profit/loss for the year</b>	
Current tax for the year	93,676
Deferred tax for the year	8,509
	<u>102,185</u>
<b>5 Property, plant and equipment</b>	
DKK	Fixtures and fittings, tools and equipment
Cost at 10 October 2018	0
Additions for the year	225,426
Cost at 31 December 2018	<u>225,426</u>
Depreciation for the year	<u>-17,678</u>
Depreciation and impairment losses at 31 December 2018	<u>-17,678</u>
<b>Carrying amount at 31 December 2018</b>	<u>207,748</u>
<b>6 Contributed capital</b>	
The contributed capital consists of 50,000 shares of a nominal value of DKK 1 each.	

## Financial statements 10 October – 31 December

### Notes

#### 7 Contractual obligations, contingencies, etc.

##### Operating lease obligations

Remaining operating lease obligations in the amount of DKK 799 thousand at the balance sheet date fall due within 18 months.

The Company has a reestablish obligation related to its rented premises. The obligation cannot yet be reliably estimated.

#### 8 Related party disclosures

Schüco Denmark ApS' related parties comprise the following:

##### Control

Schüco Denmark ApS is part of the consolidated financial statements of Schüco International KG, Karolinenstrasse 1-15, 33609 Bielefeld, Germany

The consolidated financial statements of Schüco International KG can be obtained by contacting the company at the above address.